

EXHIBIT “B”

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REDEVELOPMENT DISTRICT PLAN FOR THE REDEVELOPMENT OF THE 47th & BROADWAY REDEVELOPMENT DISTRICT THROUGH TAX INCREMENT FINANCING

MARCH 7, 2006

SECTION 1: PURPOSE

A district plan is required for inclusion in the establishment of a redevelopment district under K.S.A. 12-1771. The district plan is a preliminary plan that identifies proposed redevelopment project areas within the district, and describes in a general manner the buildings, facilities and improvements to be constructed or improved.

SECTION 2: DESCRIPTION OF TAX INCREMENT INCOME

Projects financed through tax increment financing typically involve the creation of an “increment” in real estate property tax income. The increment is generated by segregating the assessed values of real property located within a defined geographic area such that a portion of the resulting property taxes flow to the City to fund projects in the redevelopment district, and the remaining portion flows to all remaining taxing jurisdictions. The portion of property taxes flowing to the City is determined by the increase in the assessed value of the properties within the redevelopment district as a result of the new development occurring within the same area. When the current aggregate property tax rates of all taxing jurisdictions are applied to this increase in assessed property value from new development, increment income is generated. Public improvements within the district and other qualified expenditures are funded by the City and repaid over a specified period of time with this increment income. The property taxes attributable to the assessed value existing prior to redevelopment, the “original valuation,” continue to flow to all taxing jurisdictions just as they did prior to redevelopment. This condition continues for the duration of the established district, as defined by statute, or until all eligible project costs are funded, whichever is of shorter duration.

SECTION 3: BUILDINGS AND FACILITIES

The proposed redevelopment district is within the city limits of Wichita, Kansas. The district is bounded on the west by South Water Street, on the east by South Broadway Street, on the south by East 48th Street South and on the north by East 47th Street South (see Exhibit “A” attached hereto). The district includes a multi-tenant strip retail shopping center built in 1965 and several smaller commercial retail stores and restaurants built on “out parcels” located along 47th Street South and South Broadway Street.

The proposed redevelopment district is located within an area that was once designated by the City of Wichita as an Enterprise Zone pursuant to K.S.A. 12-17,107 *et seq.* prior to the repeal of the enterprise zone statutes on July 1, 1992. Property located within such areas are eligible for establishment of a redevelopment district.

SECTION 4: REDEVELOPMENT AND PROJECT AREAS

It is anticipated that the entire redevelopment district will be designated as the project area under the redevelopment project plan, which must be adopted by the City Council by a 2/3 majority vote before the expenditure of any tax increment financing funds. The plans for redevelopment of the district generally calls for the replacement of the existing multi-tenant shopping center at that location with a new, 135,000 square foot Home Depot store and the construction of a new 30,000 square foot retail center on the vacant land adjacent to the west. A second phase of the project includes construction of addition free-standing commercial buildings on “out parcels” along 47th Street South.

The use of tax increment financing may be used for the purchase of real estate and the demolition of structures, as well as on public infrastructure improvements, such as streetscape, public parking, utility extensions and public art. Tax increment financing may not be used for construction of any buildings not owned by the City or another governmental entity.

SECTION 5: SUMMARY

After the establishment of the redevelopment district, one or more redevelopment projects to be funded with tax increment financing will be presented to the Governing Body for approval through the adoption of a Redevelopment Project Plan. The Plan will identify the specific project area located within the established tax increment financing district and will include detailed descriptions of the projects as well as a financial feasibility study showing that the economic benefits out-weight the costs. The Redevelopment Plan must be reviewed by the Metropolitan Planning Commission and submitted to a public hearing following further notification of property owners and occupants, before it can be adopted by a two-thirds majority vote of the Governing Body. Only then can tax increment income be spent on the redevelopment projects.